

DRAFT

January 08, 2015

Burlington Employees' Retirement Board

Human Resources Conference Room

Board Members Present: Jim Strouse (phone) Munir Kasti
 Bob Rusten Benjamin O'Brien (phone)
 Matt Dow

Others Present: Stephanie Hanker
 Kimberly Sturtevant
 Rich Goodwin

Jim Strouse convened the meeting at 9:00am

1. **Agenda:**

Bob Rusten moved to approve agenda. Matt Dow 2nd. Motion carries 5:0

2. **Discussion of 2016 Budget and Budget Items:**

Bob Rusten provided the Board with a working budget document. Bob Rusten stated that the Board should review the expenditures and start making decisions for the 2016 budget. The Board reviewed each line and discussed what each item was accounting for. The Board stated office supplies, postage, dues and subscriptions, printing and utilities should be kept flat. Bob Rusten asked if the City was billing departments for retirement costs. Rich Goodwin stated only the school department at this time is being charged for indirect costs. Bob Rusten stated that for the training and travel and education line items he feels the amounts need to increase due to the Board possibly having more responsibility for the investments. Jim Strouse stated he agreed and would like this at least doubled to be able to get board member out to conferences for education. Bob Rusten stated he felt that it should be more than doubled and suggested \$15,000.00 just for the education line. Bob Rusten stated he thought increasing the travel and training line item to \$5,000.00 should be good, and if needed we could do a budget amendment if more was needed through the year. Jim Strouse stated he would like \$10,000.00 in each line. Bob Rusten stated that the line item, for PEHP for Police and Fire, should not be in this budget, but included in the City's health fund. Jim Strouse stated the operating system has expenses and we should try to recoup some of the operating expenses from revenue departments. Rich Goodwin stated that the interest to pooled cash is when money is needed to cover retirement expenditures out of the general fund, and the interest to the general fund is 2%, versus taking money out of VPIC to cover the expenditures and lowering the investment portfolio. Bob Rusten asked the Board if we should start budgeting for interest. Bob Rusten asked

Rich Goodwin to do an analysis and provide the Board with an appropriate amount to budget based on prior years. Jim Strouse stated that since the board has not been including some of these costs in the tax rate, was there a possibility of putting in arrears. Bob Rusten stated that using only one previous year actuals should be the method used, saying we will always be one year behind but at least going forward this will be done.

Bob Rusten stated another special meeting should happen sometime in February or early March. Munir Kasti asked if Departments will be reminded that these new charges will be coming for the retirement services portion.

Rich Goodwin stated he will reiterate to those affected departments.

3. **Possible Discussion of Consultants:**

No time permitting. Item was tabled for next meeting

4. **Adjourn:**

Benjamin O'Brien moved to adjourn, Bob Rusten 2nd. Motion carries 5:0.
Meeting Adjourned 10:35am.